AIR

Chief, Poreign Division M

30 March 1951

Chief of Station, Karlsruhe

ZIPPER-UPCROWTH Complex

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) On 1. With UTILITY presently in Bonn with a note from us in one pocket telling him to avoid any consitments to GLOBES and a telegram from HORN in another telling him to make his peace with USANCE, it may be appropriate to undertake another look at UTILITY the politician, of only to bring the sorry record up-to-date.

- 2. A careful study of the files, beginning with the emergence of the VS problem in the summer of 1949, reveals certain patterns of behavior and performance which have been so consistent over a period of almost two years that their reapper conce in any political crisis in the future may probably be anticipated with near certainty. These are:
 - a. A tendency to make enemies of persons with whom he is trying to make a deal. This has occurred successively in the cases of CAFILA, CAPOTS and L , and has derived in each ease from UTILITY's failure to decide whether he wants to join, take over or destroy the party of the second part. He has invariably tried a little of each, usually simultaneously, and the result, inevitably, has been disastrous, sometimes even ludicrous. There is not the slightest doubt that UTILITY, when he was courting CAFILA or trying to persuade CAFILA to court him, was simultaneously slandering him behind his back. This slander was not only ill-advised but also highly indiscreet, with word of it getting back to CAFILA and also to C about whom UTILITY was broadly hinting that he was CAPILA's case officer for the British Similar intriguing has been] and LENZ. Even established with respect to CAPOTE, UTILITY's courting has been inconsistent, punctuated as it is by failures to keep dates and by spells of truculence in dialogues supposed to be conciliatory. This pattern has appeared I including the spectacular standwith CAPILA, CAPOTE and ups of CAPILA on 28 September, of CAPOTE on 10 and 11 December on 1 Pebruary 1951. 1950 and of _

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b. A tendency to run around end, often when a line plunge is clearly in order. The most spectacular example was the McCLOY meeting. Others were his repeated efforts during the summer to circumvent CAFILA via WILDERMUTH, and his more recent efforts to circumvent — I via GLOBKE. These have not invariably been unsuccessful, but the yardage gained has been mostly lateral.

- c. A tendency to self-deception. This is revealed most convincingly in his reporting. The list of meetings of which we have received one version from UTILITY and a highly divergent one from the party of the second part is too long and too well known to require enumeration. On the basis of a recent review of the record on this score covering a period of a year, I am prepared to accept the probability that in the majority of cases the version offered by the party of the second part is right and UTILITY's wrong, or at least that the former is more nearly right than UTILITY's. This is not necessarily proof that UTILITY is a congenital or pathological liar, although he is certainly neither incapable of nor particularly averse to lying when it suits his purposes. It has always seemed to me that UTILITY, since he is by nature both vain and stubborn in high degree, is inclined to blot out or simply forget facts which are unconfortable or inconvenient to remember and to arrive, by complex but automatic and probably subconscious processes of rationalization, at versions compatible with his original hopes and intentions. If UTILITY were really lying according to plan and premeditation, it would be easily explicable that he should lie to us, however foolish, but we know that what he tells us he also tells his staff, and this would seem to be not only superfluous but also dangerous. Even lying to us would seem foolhardy where such characters as CAFILA and CAPOTE are concorned, since UTILITY well knows that we have the means of checking on him and that we use them.
- d. A tendency to react paranoiscally to any challenge to his exclusive dominance of the intelligence field in Germany. This has been demonstrated time and again with respect to [].

 CAFILA, CAPOTE, [], etc., and has resulted in UTILITY's tenacious insistence upon the malevolent designs of the British, CAFILA, []. The fast that in the case of CAFILA he was able to procure documentary confirmation of his suspicious has not eased the tendency, although the fact that half of UTIMOWITH, including CAPOTS and [], seems to know how he got it has not helped his reputation. This tendency is probably related also to UTILITY's penchant for exclusive management.
- 3. UTILITY is not really interested in establishing a modus vivendi or a modus operandi with \Box or CAPOTE, any more than he was really ever prepared to deal with CAFILA. What he wants, and the only thing which will ever satisfy him, is to destroy the rival and take over on his own terms.

This also explains his simultaneous employment of mutually destructive tactics. He pays lip service to the devices of negotiation and compromise, and is encouraged in this direction by his own and the American staffs. He makes elaborate plans and goes through the motions, including a lot of strenuous travel, but his heart is not in it, and his hopes of success are artificial, essentially a delusion. He is really bent on destruction, and the objects of his jealous malevolence sense it, which is not remarkable under the circumstances. UTILITY's destructive impulses are genuine and intense, and he finds it impossible not to translate them into action. The action is usually conspicuous, as, for example, his campaign against CAFILA and his present tireless efforts to prove CAFOTE's oriental orientation. All this is not incompatible with UTILITY's rather successful record in dealing with foreign intelligence services. They are not rivals, and when UTILITY's hisbie-jiebies are not agitated, he is capable of negotiating effectively and of making a good personal impression.

- 4. So much for the debits. The credit side is hardly less impressive, and it explains why he has survived for so many years, both in the German Army and under American sponsorship, while surrounded by men of such stature as GUDERIAN, MATZKY, SPEIDEL, FOERTSCH, KOERNIG, HORN, MERKER, and WOLLMARY, most of whom outrank him. I do not believe that UTILITY is very well liked, and it is a fact that many of his colleagues recognize his faults and disapprove of his peliticking, if not of his policies, which, in his case, are by no means the same thing. But, one and all, they acknowledge his accomplishment in the creation of ZIPPER and his foresight, initiative and diplomatic skill which made it possible, not to mention the courage which it must have required for a German General to make such a deal with the late enemy so soon after the termination of hostilities and at a time when, particularly in France, a good many people were being shot or locked up whose only crime was that of having collaborated, under somewhat similar circumstances, with the Germans only a few years before.
- 5. Another important factor on the credit side is UTILITY's reputation as the outstanding authority in Germany on the armed forces of the Soviet Union. This derives from his former position as Chief of Fremde Heere Ost, as well as from his present position as the head of an organization which is referred to, by these numerous Germans who know about it significantly as the "Organization UTILITY" or the "UTILITY Organization." UTILITY's great reputation is certainly based on legend as well as on fact, but the one is as important as the other in assessing UTILITY's status. Indeed, for a position of such altitude as that of Chief of the GIS, to which UTILITY unquestionably aspires, the legend is more useful or more inhibiting than the fact, depending upon whether we want to help him or to stop him. Nobody in Germany is as good or as emmiscient as many Germans think UTILITY is, but the more fact that they think so must have a strong bearing on his future. KISENHOWER, for instance, was not chosen for his great office because he is the greatest General in the Mestern World, although he may be, but because so many people think he is. The same circumstances, on a smaller scale, will influence UTILITY's present and future in Germany and must be taken into serious consideration in any decisions we may make.

A.C.

6. With respect to UTILITY's administrative, executive and operational abilities, they are admittedly not inconsiderable, although certainly influenced for the worse by those aspects of his character discussed in 1-d, above, as reflected in his penchant for explusive management, his habit of consentrating on matters pertinent to his own career rather than on the operational details associated with career objectives already attained, and a perceptible if not dominant predilection for symphants in his immediate entourage. These are not, however, elements of primary importance in speculating on UTILITY's future. He can probably handle adequately any job he gets. His problem is to get the job, which is a problem of pelities.

7. As to his prospects? It would be easy to demonstrate that UTILITY is a bad politician, which would seem to augur ill for a man whose career objectives are essentially political. But political talent is not the only prerequisite for political success, least of all for a man whose enthusiass is power rather than polities as art and science. UTILITY is not interested in the rules. His only concern is results, and his assets of ambition, determination, toughness, resiliency, percistence, single-mindedness, ruthlessness and cumning may pull him through many a rough-and-tumble and enable him to survive occasional defeat. If he succeeds, it will be at a greater expense of effort than a more skillful politician would have required. But his triumph will be absolute, and he will share with none the privilege of determining the fate of his numerous enemies.

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